

Due Diligence Naval Facilities Engineering Command, Washington, DC

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DoN UP Process-Due Diligence



- **DoN process**

- Issue RFP's and tech data packages-Allows Industry to propose their best practices within their legal and regulatory environment
- Conduct site visit/pre-proposal conference
- Offerors bid on information in the TDP-levels playing field
- Receive proposals-
 - Evaluate proposals
 - Select Competitive Range
 - Conduct discussions
 - Select Best Value Offeror

- **When is Due Diligence performed?**

- Once Best Value Offeror is selected
- Navy has a kick-off meeting and Offeror begins in-depth inspection to confirm assumptions and assess existing site conditions

DoN UP Process-Due Diligence



- DoN doesn't pay for the performance of due diligence
 - Offeror will be able to review drawings and other approved information regarding the system.
 - Offeror is expected to complete due diligence within 90 days.
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- **Following is the information that can be provided to the Offeror during due diligence:**
 - Information on any additions or removals from the system
 - Recent engineering studies performed
 - Updated maps or drawings of the system.
 - Recent usage/consumption data
 - Obtain O&M records and repair history
 - Records of known environmental issues within the system.
 - Current issues between the Navy & regulatory agencies

DoN UP Process-Due Diligence



Information that CANNOT be provided:

Business related data that gives information leading to the Navy's present costs. This includes staffing and resource levels, etc.

- **During due diligence, the Offeror should gather information to complete the following:**

- **Red line the Technical Data Package with any changes to the existing inventory**
- **A listing of insurance inventory items.**
- **A listing of the points of service or demarcation points.**
- **Revise the proposal pricing and technical information.**

DoN UP Process-Negotiation Phase



- **A draft contract is developed to be used to negotiate with the Best Value Offeror.**
- **The contract will be forwarded to the Offeror prior to negotiations**
- **Negotiations are usually held at the Installation or the Offeror's office and should take approximately 4-5 months. Based on experience, at least 3 rounds are face to face with telephone interaction as necessary.**